The China Weekly

REVIEW

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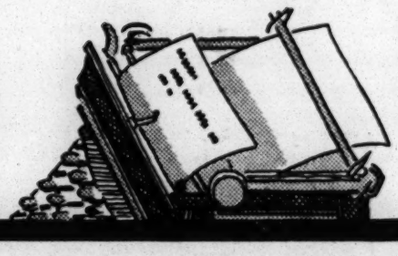

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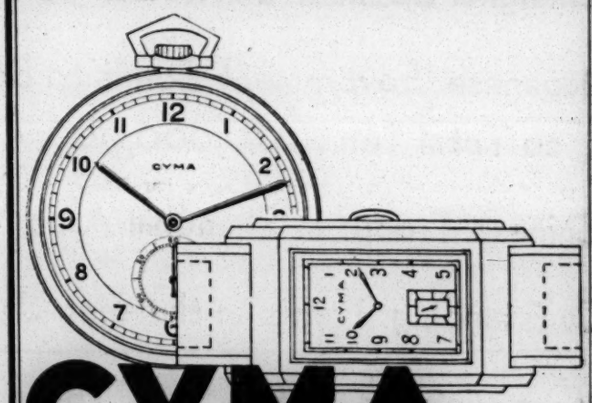

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The China Weekly REVIEW

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NO SANE AMERICAN DESIRES WAR IN THE FAR EAST, BUT—

THE New York *Evening Post* denounced the "collossal selfishness" of the American community in Shanghai, particularly the American Chamber of Commerce, for demanding protection of the United States Government. The paper charged that a few hundred Americans in Shanghai "have so little regard for the 130,000,000 Americans at home that they would embroil us all . . ." Roosevelt must guide the policies of the nation on the path of safety for Americans as a whole, declared the editorial, "not the special interests of a little group in Shanghai." The editorial constituted a reply to a telegram which the American Chamber of Commerce sent to the State Department last week protesting against the policies, or at least the published statements of high government officials, concerning the evacuation of all American citizens from China. The Chamber's telegram was inspired by a news report from Washington quoting President Roosevelt as declaring that since Americans in China had been warned to evacuate and had declined to accept the Government's advice, "the 7,780 American citizens still in China are there at their own risk." In other words, the Government "would not be responsible for their protection if they chose to remain." The President was also quoted as describing the Sino-Japanese crisis as an "awful mess."

The State Department later expressed regret that Americans had been alarmed by the President's remarks and intimated that he probably referred to "missionaries and teachers who stubbornly insisted upon staying up country despite repeated warnings from their Consuls." This statement in turn brought a hot retort from certain leaders of the missionary community who declared that they knew nothing about any such warnings having been issued. One well known missionary leader said that some missionaries in the interior of the country, "such as doctors and nurses have duties of such responsible nature that personal safety is a matter of secondary consideration."

It was obvious that these reports from Washington, particularly one stating that the President had issued his statement from his palatial yacht, had the effect of infuriating most of the local Americans who have been harrassed by the Sino-Japanese hostilities for a period of a full month and whose nerves had been worn raw by dodging air bombs, observing the senseless slaughter of innocent people and the wanton destruction of property, much of it their own or their Chinese associates.

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But there was one place where present Washington policies and declarations have been received with fullest approval—in Tokyo. The *Asahi*, leading Japanese newspaper, declared on the eve of the opening of the special session of the Diet, that American "aloofness" was "eminently satisfactory" from the standpoint of Japan. The hope was expressed that the United States Government would stick to its policy of aloofness, because it would contribute tremendously toward Japan's "stabilization of the Eastern Asiatic situation." The Japanese believed that Secretary of State Cordell Hull's declaration on American policy (see page 18, issue of September 11) had been issued following a conference with Ambassador Robert W. Bingham, who had returned to Washington from London. In consequence the Japanese interpreted Hull's statement as a rejection of Great Britain's alleged attempt to invite intervention in the Sino-Japanese war beginning with the "neutralization" of Shanghai.

Continuing the editorial declared, "We greatly admire America's fair attitude. We particularly admire the neat way in which America prohibted American steamers from calling at Shanghai, because this defeated a Chinese plot to force foreign intervention by causing incidents. Japan intends to respect the rights and interests of third parties, including America, and we hope from the bottom of our hearts that other powers will follow the American example and adopt an 'unexcited neutral attitude' toward the Sino-Japanese conflict."

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There were further indications that the Japanese are convinced that the United States will not interfere, even though American properties are destroyed as a result of Japanese military activities. This was indicated in a report which appeared in the *Asahi Shimbun* on September 4 referring to the destruction of the Chinese Government radio station at Chenju, which contained important American investments. It was stated that while at least 49% of the capital of the radio station was the property of Americans, chiefly the Radio Corportation of America, the Japanese did not believe that the Americans would do anything about it. A dispatch from Washington was quoted as stating that efforts were being made by the financial interests back of the Radio Corporation to have the United States Government demand a heavy indemnity for the loss of the wireless station.

The *Yomiuri Shimbun* declared that regardless of the American interest in the radio station, it was vital that Japan should silence it because the Chenju plant was being used by the Nanking Government for the circulation of "base and annoying tall propaganda by the Chinese authorities."

The *Asahi* also published a dispatch from its correspondent in Shanghai stating that the Japanese naval bombers had already bombed the wireless station and intended to continue until it was completely destroyed, because the Nanking Government had been using the plant for dispatching military telegrams, and in addition the plant had been used for the spreading of Chinese propaganda in the United States. The Shanghai correspondent of *Domei* in describing the bombing said that the four buildings of the wireless station had been seriously bombed, three being almost completely demolished while other structures in the vicinity "hardly presented their former shapes."

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The Japanese first bombed the Chenju radio station on September 3, continuing their daily visits until the station was entirely put out of business. There was undoubted significance in the fact that on August 28, only a week previously, they had put the Trans-Pacific cables out of business by cutting the land lines somewhere in the vicinity of Paoshan. It was claimed, of course, that the cables had been accidentally cut by gun-fire in connection with the bombing of Paoshan. But regardless of the methods used the Japanese almost succeeded, by cutting the three cables, the American registered Commercial Pacific, British Eastern Extension and the Danish Great Northern, plus the destruction of the Chenju wireless station, in completely isolating this city. The Japanese military spokesmen declared at a press conference that as soon as the Japanese were in control of the Shanghai district, they would arrange other means of communication, apparently referring to the Japanese military cable between Shanghai and Nagasaki which may be used, providing the telegrams are first translated into the Japanese language.

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There are many Americans in this part of the world who feel that the present Administration is repeating the mistakes of the Wilson Administration, which had the effect of involving America in the European war. Probably the most discouraging result of the president's obviously sincere attempt to maintain neutrality is the seeming loss of respect for the United States on the part of both belligerents. Some thoughtful observers have forecasted that the United States will be soundly hated by both sides, and while the nation may have temporarily kept itself out of the struggle it will have laid the foundation for much more serious complications in the not distant future. Secretary Hull made much of the element of treaty observance in his declaration, but this did not obscure the fact that the United States was the promoter of the Nine-Power Treaty and Kellogg Pact, both designed to meet such a situation as prevails today, or, more correctly speaking, a situation which has prevailed since the original Japanese occupation of China's Manchurian provinces in 1931. The Nine-Power Treaty contains machinery for calling a conference of signatory Powers, but for some reason the present administration has seen fit to ignore this obligation. Col. Stimson at least tried to invoke the treaty! An attempt to maintain neutrality in the face of a failure to uphold the sanctity of the two treaties has had the obvious effect of encouraging Japanese aggression. Japan is opposed to the interference of third parties because she wants a free hand. American neutrality gives Japan the free hand she desires for the subjugation of China, or as Japan's spokesmen put it, "the stabilization of Eastern Asia." The *Christian Science Monitor*—(September 3) strongly advocated the immediate calling of a conference of the signers of the Nine Power Treaty for the purpose of studying the Far Eastern crisis and trying to decide upon a course of action to bring an end to the hostilities. It was pointed out that invocation of the treaty would mean sanctions against Japan, but it was hoped that a method could be found whereby both China and Japan could be induced to cease hostilities and yet save their faces.

U. S. Marines watching the destruction of Chinese property by Japanese airbombers in the district opposite the Marine sector along Soochow Creek.

Evacuated Students from North to Be Accommodated at Changsha

Mei Yi-chi, President of the National Tsinghua University, arrived in Changsha Sept. 14 to arrange for the accommodation of college students evacuated from the war zone in Peiping and Tientsin.

CHINESE SOLDIER TAKES HIS PLACE AS DEFENDER OF THE NATION

FOREIGNERS generally have been favorably impressed by the spirit, discipline, and good behavior of the soldiers in China's national army. In this critical period most foreigners testify to the courtesy and kindness of Chinese soldiers with whom they have came in contact. Today it is only the Japanese and their friends and employees who talk about the "outrageous" Chinese soldiers—and the phrase is now commonly recognized as mere propaganda venom. Recent experiences of many foreigners show that the term "outrageous" is far more correctly applied to the Japanese, most particularly to the Japanese "irregulars," the "ronin" who terrorize, murder, and plunder without check or hindrance in areas dominated by their soldiers or sailors. The *Tokyo Asahi* published a dispatch from its correspondent with the Japanese Army at Shanghai on Aug. 22, telling of one Japanese soldier, said to be a noted sword fencer, who had killed 20 Chinese single-handed and boasted that he intended to behead 100 Chinese before the "incident" was over. A translation of the correspondent's dispatch was issued in one of leading Japanese translation services.

The transformation of the Chinese soldier in recent years is a fact testified to most eloquently by the Chinese themselves. It has been, in the past, the Chinese people who have suffered most from the misconduct of their ostensible "defenders." "Good iron is not made into nails; a good man does not enlist as a soldier," says the old Chinese proverb, dating back to antiquity. And yet, today, millions of Chinese are rallied together in enthusiastic support of their soldiers; upper-class men contribute funds, women prepare clothing and comforts for the soldiers, boys and girls give strenuous service as "scouts" or collect money for the men at the front. It is "our army" of which Chinese now speak; it is "our soldiers" and "our heroes."

From "bad metal" to "heroes" is quite a transformation. But the change is remarkable only to superficial persons. It is a part of the great change which has taken place in China itself in recent years — the welding together of four hundred and fifty million people, spread over a territory larger than Europe and speaking more distinct dialects than all of that continent, into a nation, with a single political center and a common national consciousness. The Chinese soldier has just as much capacity for courage or cowardice, kindliness or cruelty, brutality or heroism, as any other. What side of him develops is dependent upon the aim which inspires him, the spirit which drives him forth to battle.

In the past, it has usually been the rivalries of Chinese military leaders which have driven forth the soldiers to kill and be killed. In the earliest period of Chinese history, the warrior kings of the centuries before Confucius conscripted their helpless serfs as orderlies and as foot-soldiers, to support and follow up the chariots of their rulers and leaders. Smaller states were swallowed up by greater, and great armies began to be formed. The greatest of the military Powers, the Ch'in, conquered its rivals and established the First Empire in 221 B.C. Scores of dynasties have since been established, some covering the whole country and even including non-Chinese peoples like the Mongols, Turki, Tibetans, Koreans, and others, and some covering only a few provinces. But every one was established by a military leader, defeating his rivals and assuming the title of Son of Heaven. The Imperial rule was open to anyone who could seize it. And the method of seizure was by the enlistment and efficient leadership of great numbers of men. Sometimes they were Chinese, sometimes they were "barbarians" from or beyond the frontier.

As feudalism passed, the conscription system also passed, and during the Imperial period China's armies have almost always been made up of mercenaries, inspired by the hope of at least getting something to eat, and if fortunate getting some rich plunder. But at times, inspired by some higher motive, China's soldiers have risen to real heights of heroism. Particularly were there such incidents in the wars of "Chinese" dynasties against "barbarian" invaders,—though it has of course been military leaders, not their fighting soldiers, who have received honors and awards—and sometimes deification.

The most remarkable examples of military courage and prowess when fired by crusading zeal have been given by various Chinese forces during the past century. First and most striking were the exploits of the Taipings, determined not only to destroy the hated Manchu Dynasty but to establish the Kingdom of God on earth—or at least in China. The Taipings, with their daily prayer-meetings and hymns, their fearlessness of death and their perfect discipline and organization, marched through province after province of China, and were finally defeated only by British and French military intervention.

The Manchu Empire, propped up by foreign military forces, foreign military training, and foreign arms, was finally re-established throughout China, but the alien Dynasty never gained the support or loyalty of the mass of the Chinese, and was utterly defeated and humiliated at the first attack of the Japanese in 1894/5. But this was no test of the military prowess of the Chinese people; the Manchu Imperial soldiers were merely Chinese mercenaries, serving the hated

Dynasty for a meager living and often with their pay in arrears. Later, as the climax to Manchu stupidity and viciousness, came the "Boxer" affair supported by the most reactionary Manchu clique —which was later invited back to Peking and set up in power there by the very Powers whose people it had massacred. But it finally fell in 1911. Then followed the true heyday of the militarists. Any first-class leader or "bandit" could (literally) carve out a fortune for himself. Some became rulers of several provinces and were for a time recognized by foreign Powers as the Government of China. As for the soldiers, they fought for a living and for plunder. Many became bandits because their masters were bandits.

But Chinese Nationalism gave a new aim, and a conception of something to fight for. The steps in this development are recent history: the revolt against the Anfus in 1919, the Nationalist Government established in Canton five years later and its drive northward to the Yangtze, the formation of an army of soldiers trained and taught to serve national ends, the splitting of the army between Nanking and the Reds—no longer along merely sectional lines or between rival leaders, but a struggle of opposing political principles,—the feeling aroused by the Japanese invasion, the Shanghai War of 1932, the conclusion of the civil war by the surrender of the Communists with an agreement for a common front against foreign invasion.

All these forces, one after the other in ever-increasing momentum, have created the Chinese army of today,—not an army aiming at personal enrichment but under discipline and organization, and receiving food, pay, and decent treatment; no longer serving private military leaders, but with a sense of belonging to a nation—the proud sense of being the defenders of a nation—resisting the invasion of alien enemies. Whether the present struggle is won or lost this year, a great and fundamental change has taken place. China has a national army. For the first time in modern history, China stands as a united nation, with a national military force, able to face and meet foreign invasion. For the first time, China is emerging as a real power in world affairs. The Chinese soldier feels it and knows it. He is a part of it. And he is proud of his part.

THE JAPANESE

By Ogden Nash

How courteous is the Japanese!
He always says, "Excuse me, please."
He climbs into his neighbor's garden,
And smiles and says, "I beg your pardon;"
He bows and grins a friendly grin,
And calls his hungry family in;
He grins, and bows a friendly bow;
"So sorry, this *my* garden now."

Saturday Evening Post

Shanghai Business Carries On—But Not "As Usual"

"BUSINESS as Usual" is the optimistic sign posted by Shanghai shopkeepers before their boarded establishments, but both they and their customers realize that Shanghai has been dealt a severe blow by the hostilities raging around the city. Shops may be open as usual, but business activity is probably only one-fifth of what it was.

Not counting, for the time being, direct and explosive damage to plants, business is facing a stalemate because Shanghai is cut off from the Yangtsze Valley and because the uncertain future makes purchases for anything but the immediate present a gamble.

One American insurance company reports business to be at a complete standstill, except for orders turned in by the Hongkong and Manila offices. Nevertheless, along with other large companies having head offices in Shanghai, plans for the removal of the head office to either Hongkong or Manila would not be pushed for another two or three months, even though hostilities in this area should continue.

With the complete shutdown of factories in Shanghai's industrial area, Yangtsepoo, the Power Company, as well as those plants which have suspended operations, is affected. Since a large proportion of the production of the Shanghai Power Company is used for industrial purposes, the company is now selling only 22 per cent of its normal output.

The Shanghai Gas Company, following a suspension of operations for 23 days, reopened with a loss of 50 per cent of its business. The Shanghai Waterworks has suffered a loss in business but, because of leaks, is pumping just as much water as ever, about a fourth of its production going to waste.

The bus company, even though operating during fewer hours of the day, has only half of its busses in operation, and the tram company is using only a third of its rolling stock.

The Telephone Company, along with all other concerns which did business in Hongkew and Yangtsepoo, has suffered a loss which in this case is even greater because the women have evacuated.

With cargoes swamping Hongkong and Manila godowns, and with the Whangpoo and Yangtse Rivers blocked, exporters and importers have seen their businesses die on their hands. Under present conditions exporters can hardly get their cargo out of the Shanghai godowns. China's exports of wood oil, seeds, beans tungsten and antimony (to mention the most important) have been stopped completely. If and when hostilities move out of the Shanghai area, the exporter can move his goods from the godowns, but he still cannot get the products of the Yangtse Valley because of the blockades which not only prevent Japanese warships from going up the rivers but also prevent Chinese commerce from coming down. As long as hostilities continue in the Yangtse Valley the exporter faces profitless months.

The cable and radio companies have, of course, received a flood of business, with all the world eager to hear about the Shanghai situation, but with the Chenju radio station destroyed by bombs and the shore cable station at Woosung a complete wreck from concentrated artillery fire, to which must be added a loss of two weeks of business for the cable companies, the compensation of an increased number of messages seems hardly sufficient.

As to material damages suffered by Shanghai industry because of bombs, shells or fires (of which the loss of the radio and cable stations are examples) details are still lacking, and further damage imminent. The British and American Consulates are in the process of collecting data on losses sustained by their nationals as preliminary to asking for repayment.

Hongkew is reported to have suffered incalculable damages from shot and shell. But in all the mess of ruined blocks of houses in the northern area, certain losses stand out, such as the Bell Lumber Company where a fire caused losses amounting to $250,000, and the fire in the plant of the China Woodworking and Dry Kiln Company, which started following a nocturnal Chinese air raid.

Then there is the loss by fire of the Mackenzie and Company godown in Pootung and a godown of the Japan-China Cotton and Spinning Co., Japanese owned concern. Despite the location of Japanese mills in outlying areas, a report in the Japan Chronicle Sept. 5 states that only

100,000 of the 1,300,000 spindles owned by Japanese interests in Shanghai have been destroyed. The Woosung and Pootung Mills of the Nikka Boseki company were completely destroyed, involving 80,000 spindles, while damages to other plants were minor, the report stated.

So far as losses in missionary and educational institutions are concerned, conservative estimates place damages to the Nantungchow Christian Hospital at $184,465.72, without counting the loss of valuable medical equipment. The losses of Shanghai University have not been estimated as yet but the institution has undoubtedly suffered heavily during the hostilities. Estimates of the losses from the bombing of Tung Chi University are placed at $10,000,000. The Allen Memorial Church, property of the American Southern Methodist Church, is also reported to have suffered considerable damage.

With the situation as it is today—heavy losses having already been suffered from hostilities and the stopping of business, and the possibility of more to come—the Shanghai businessman still thinks in terms of how much longer he can hold on rather than in terms of evacuation.

China's War Supplies

BY HALDORE HANSON

In a prolonged war no single factor has greater bearing upon the morale of an army than the soldier's opinion of his technical equipment. Let the rumor once spread that the enemy's artillery and tanks are far superior, that his munitions seem inexhaustible, that his scientists have invented a new poison gas, and the stoutest fighter will eventually show discouragement.

It is not surprising, therefore, that nations on the road to war are guarding above all else their supplies of equipment, both its nature and quantity. China is no exception.

Recently the Supreme War Council, cooperating with the Ministry of Education, called to Nanking the 64 leading chemists of China, and gave them four days' instruction in the making of munitions of war. At the meeting the scientists were all taken to the military training ground for a demonstration of field artillery, smoke screening, air bombing, anti-aircraft defence. Small field guns firing at a range of 5 *li* (about 3,000 yards) at a moving target resembling an enemy tank scored six direct hits in six tries, but the marksmen already knew the range. All the professors, though realizing that these were demonstrations under planned conditions, were impressed with the magnitude of preparations during 1936.

The principal weapons of the Chinese army have not changed radically in recent years. Every army division under the Central Government is equipped with machine guns, now improved in quality and greatly in number.. Each army has a few trench mortars and field guns. Military transport trucks totalling 700 or 800 are concentrated in Nanking and Sian. The armored trains, relic of the war lord's heyday, can be seen deserted and rusting in the railway yards of Tsinan, Peiping, and Chengting, used occasionally as floating barracks.

Up-to-date artillery pieces and tanks have been sought by the Chinese military, but the enormous cost of importation has permitted the purchase of only a limited number. If any wholesale shipments were received, the matter could not be kept secret. One recent import, of which there is no harm speaking since it was paraded through the streets of Nanking, is a set of 24 German artillery pieces, 155 caliber (6.1 inches), with twelve foot barrels mounted on tractor bases. They are reported to have cost Mex. $70,000 apiece, and were paid for by a bartering of Hunan antimony with munitions makers. Four of these Little Berthas were shipped to Tungkuan during the Sian affair.

Ammunition for the Chinese armies comes from eleven arsenals scattered from Taiyuan in the north to Canton in the south, from Shanghai in the east to Chengtu in the west. The raw materials for these factories could not be shut off by a Japanese blockade. Smokeless gun powder and other high explosives are made from cotton, nitric acid, and sulphuric acid. Cotton may be had from any province north of the Yangtze River. Acid production is more restricted. The only large commercial plant is located in Shanghai. Somewhere on the banks of the Yangtsze the largest military acid plant, producing both sulphuric and nitric acids, is located. In the north is another plant, mainly for sulphuric acid, which the Bank of China is reported to be moving to a safer place in the southwestern interior. A fourth factory is operated somehere on the Kwangsi-Kwangtung border, turning out mostly nitric acid. The Hanyang arsenal at Hankow now has a small acid plant sufficient to meet its own needs, but how many of the other arsenals are so supplied is not known. It is clear that China is making a determined drive for self-sufficiency in acids. In 1935 imports of nitric acid totalled 1950 tons; in 1936, only 375 tons. Sulphuric acid imported in 1935 totalled 840 tons; in 1936, 630 tons.

The armament capacity of Chinese arsenals is not easily obtained, but any traveller who observes the blast furnace capacity of a factory and talks with reputable citizens of the place can form a general opinion. An arsenal in Honan is believed to be a principal source of field guns. This plant has half a dozen blast furnaces and has employed many of the former employes of the old Mukden arsenal of Chang Tso-lin, which turned out trench mortars and small artillery pieces. The Sian arsenal is an important producer of machine guns, judging by the number of pieces in use now bearing that name. The Hanyang arsenal at Hankow had its blast furnaces "frozen" by the flood of 1931, and is doing no heavy casting, but it does produce rifles, hand grenades, small bombs, and gun powder. Experimental work on new weapons seems to be centered in Nanking and Shanghai, where the making of air bombs and weapons of chemical warfare are concentrated.

Public curiosity was aroused by the semi-secrecy surrounding the National Resources Board, jointly supervised by the Ministries of Industry and War. It was created for the three-fold purpose of (1) surveying raw materials for war industry; (2) recommending what industries should be developed immediately and at what places; and (3) increasing government control over existing industry and coordinating all industrial production for military ends. The new government monoply in antimony, and the increased control over wood oil production are related to this work. At Shanghai the Military Affairs Commission is supervising six small steel plants which are producing diesel motors, a work requiring high grade steel and expert casting.

Regimentation of food supply is another problem considered. According to press reports early this year, T. V. Soong is heading a new ten million dollar "rice transit corporation", engaging in wholesale storage and sale of rice in all the central provinces. To increase the power of this new venture, the Ministry of Finance has exempted its rice purchases from any form of taxation, thus giving it a considerable advantage over private traders.

Another interesting development in food control is the largest mechanized farm in China, operated by the Military Affairs Commission at the village of *Chin K'ou* thirty miles up river from Hankow. Of 325 square miles of excellent farm lands reclaimed from the Yangtsze floods in 1935, the military now have 10 square miles under cultivation, using 20 American tractors, and 200 gang plows, cultivators, and harvesters. If the entire area should be mechanized for wheat and rice production, it could supply the basic foods for an army of a quarter million.

Permanent harbor and river guns for the defence of strategic points are no secret. Heavy guns near Hangchow bay and Tsingtao bay, batteries commanding the Yangtze river between Shanghai and Hankow, especially below Nanking, are all of importance in the first months of a war. Since October 1936 intensive fortification work has been going on south of Nanking, and near Soochow on the Shanghai-Nanking railway.

Least suspected sources of war supplies often develop through the civil ministries such as the Post Office Department Government Salt Administration and other organs.

Hankow, September 10, 1937.

Session of Kuomintang C.E.C. Indefinitely Postponed

Because of the Sino-Japanese hostilities, the fourth plenary session of the fifth Kuomintang Central Executive Committee, originally to have been convened in Nanking on Sept. 15, has been indefinitely postponed, a recent official announcement from the Capital stated.

British Charge d'Affaires Proceeds to Nanking

R. G. Howe, Charge d'Affaires of the British Embassy in China during the absence of Sir Hughe Knatchbull-Hugessen, arrived in Nanking Sept. 14, traveling by auto from Shanghai. Among those who accompanied him were F. L. Kerran, British labor leader and correspondent for the *New Statesman and Nation* and Lieut. Col. Gabriel Sabatier, French Military Attache.

Japanese Capture Machang After Swift Night Attack

After a swift night attack Japanese troops captured Machang, on the Tientsin-Pukow railway, Sept. 11.

The Japanese advance along the Peiping-Hankow Railway has come to a standstill, for the present, at Lianghsiang, 35 miles south-west of Peiping.

The Japanese have about 180,000 troops in North China, scattered over a broken front of about 200 miles. They are opposed by about 400,000 Chinese troops.

More Japanese Troops Pour into North China

Japanese transports laden with fresh troops and munitions continue to steam into Taku practically every day. From Taku the soldiers are taken aboard launches for Tangku where most of them are being billeted in Chinese civilian houses forcibly seized for the purpose.

Chinese Foresee Seizure of More Railways in North by Japan

Japanese seizure of sections of the Peiping-Hankow and Peiping-Suiyuan Railways, now under their military domination, is expected to take place soon, according to a *Central News* message from Nanking Sept. 4. A large number of South Manchuria Railway officials and of the traffic corps of the Japanese army are already in Peiping and Tientsin ready to take over the lines from Chinese railway officials.

Japanese Capture Chulopu After 26-Hour Battle

A bitter 26-hour battle fought over an eight-mile front ended Sept. 11 in the Japanese occupation of the heights of Chulopu, midway between Yangkao and Tatung. Two Japanese columns left Yangkao on Friday and at dawn Sept. 11, flanked the Chinese positions. Aided by artillery and aerial bombardment, the Japanese stormed the Chinese positions and by 1.45 p.m. had occupied the heights, Japanese reports said.

Chinese Positions in Mountains Near Peiping Bombed by Japanese

Chinese positions in the mountains west of Mentokou, approximately 26 kilometers west of Peiping, were heavily damaged Sept. 11 by Japanese aircraft which bombed the area for two hours.

Japanese Warships and Planes Active Off Shantung Coast

Japanese warships and naval planes are reported active along the Shantung coast harassing Chinese shipping. One aircraft carrier and five warships are anchored off the coast, using Chenkushan as a temporary naval base.

Japanese Claim Capture of Tatung

Tatung, the second largest town in Shansi province, was captured by Japanese troops at 9.50 a.m. Sept. 13, according to an announcement issued by the Japanese expeditionary force in Kalgan Sept. 13. Another Japanese column, which advanced from Weihsien, in Chahar, crossed the Shansi border and occupied Kwangling, Shansi, at 3 p.m. the previous afternoon.

Chinese Recapture Chaikowpu

Chaikowpu, an important station on the Peiping-Suiyuan Japan Railway in southern Chahar, which was occupied by a Japanese force last week, was recaptured by Chinese cavalry units on the 9th inst., it was announced in official circles in Kweihua Sept. 11.

Changhsintien, the most important strategic point, south of Peiping on the Peiping-Hankow Railway, was re-captured by the Chinese troops Sept. 12, according to Chinese military reports.

General Chang Tze-chung Rejoins 38th Division at Tsinan

General Chang Tze-chung, former Mayor of Tientsin, recently escaped from Japanese surveillance, making the trip to Tientsin by bicycle, dressed in mourning garb. He arrived early this week in Tsinan where he rejoined the 38th Division.

Japanese Planes Bomb Strategic Chinese Positions in North

Strategic Chinese positions near Chienchuntai and Tsingpaikow, approximately 40 kilometers to the northwest of Lianghisang on the Peiping-Pukow railway, were bombed by Japanese air units Sept. 5.

Suiyuan Governor Rewards "Manchukuo" Regiments That "Came Over"

A cash reward of $1,000 was given by General Fu Tso-i, Chairman of the Suiyuan Provincial Government and concurrently Commander of the 35th Army, to each of the three "Manchukuo" regiments who came over to the Government fold last week, a message from Kweihua Sept. 8 stated.

Manchukuo Notes Being Circulated in Peiping and Tientsin

Banknotes issued by "Manchukuo" and the East Hopei bogus regime are now in circulation in Peiping and Tientsin. Commodity prices are soaring in the two cities as a result of the confused currency situation.

Dairen Economic Conference Indefinitely Postponed

Recent advices from Dairen stated that the continental economic conference scheduled to be held by officials of the Kwantung army, Manchukuo, Korean government-general, the South Manchuria Railway, etc. during the month at Dairen, has been cancelled because of the outbreak of Sino-Japanese fighting.

Chinese Destroy Railway Bridge at Machang—Japanese Use Grand Canal

Chinese troops have destroyed the railway bridge across the Machang canal, rendering the railway useless to the Japanese forces south of Machang. The Japanese troops are using the Grand Canal to transport their heavier supplies to Tsangchow.

Japanese Prepare for New Offensive in Hopei Province

The Japanese are reported to be preparing for a new offensive in Hopei along a line west of the Peiping-Hankow Railway. Large quantities of ordnance, ammunition and other supplies are being concentrated on the north-west bank of the Hun river, opposite the Chinese positions at Kuan, 30 miles south of Peiping. Hundreds of pontoons are being built in readiness for an attempt to cross the river.

Chinese Red Army Now Under Direct Control of Military Affairs Commission

Recent proclamations issued by Generals Chu Teh and Peng Teh-hui, Communist leaders, disclosed the reorganization of the Chinese Red Army into the Eighth Route Nationalist Army under the direct control of the Military Affairs Commission.

General Chu has been appointed commander-in-Chief of the newly reorganized force while General Peng has been appointed deputy commander-in-Chief. The appointment was made by General Chiang Kai-shek, chairman of the Military Affairs Commission, on Aug. 22.

General Chiang Kai-shek Sends Congratulations to Former Communist Leaders

General Chiang Kai-shek, President of the Military Affairs Commission, and other ranking leaders of the Government, have telegraphed their congratulations to Generals Chu Te and Peng Te-huai (Communist leaders) upon their assumption of office as Commander-in-Chief and Vice-Commander-in-Chief of the newly organized Eighth Route Army.

National Government Forms Supreme War Council

Although not officially announced it is reported that the National Government has formed a Supreme War Council under the chairmanship of Generalissimo Chiang Kai-shek, with Wang Ching-wei as vice-chairman and Gen. Chang Chun, former Minister of Foreign Affairs, as secretary-general. Members of the Council, according to the reports included: Huang Shao-hsiung in charge of military affairs; Hsiung Hsi-hui in charge of political affairs; Oong Wen-hao in charge of war industries; Wu Ting-chang in charge of economic matters; Chen Kung-po in charge of propaganda and publicity; Yu Fei-peng in charge of general affairs and Chen Li-fu in charge of people's training. It was also reported that various military commanders, including the former red military leaders, as well as present cabinet officers in the Government would serve in an advisory capacity, but the Council would be regarded as the supreme authority during the course of the hostilities.

A report through *Central News* on Sept. 8 stated that Gen. Tang Sheng-chih, director general of military training had been appointed to the concurrent post of director general of military law. He would have full charge of enforcing and executing various military laws governing the conduct of military men and civilians in connection with the crisis.

Chahar Province Declares Independence from Nanking

The Tokyo *Nichi Nichi Shimbun*, Sept. 4 printed a telegram from Kalgan saying that representatives of influential quarters of the Chahar Province numbering more than 100 persons had met there the previous day in conference at which it was decided that the province should separate itself from the Nanking Government and set up a regime of its own "to further the happiness of the 2,000,000 population of Chahar."

How Japanese Heap Indiginities on Foreign Residents in Tientsin

The *Peking and Tientsin Times* recently related incidents of how Tientsin residents suffer indignities at the hands of the Japanese. In the French Concession a French police sergeant, while directing traffic was struck across the face by a Japanese military man; another attacked the French policeman with a whip. Other incidents of a similar nature were related. The incidents were similar to some which occurred in Shanghai last month. When an English resident of Hongkew produced his passport the Japanese officer calmly tore it to pieces and threw it to the ground. The net result, so it was stated, was that the British resident in question had to apply for another passport, for which he was charged the usual fee.

Outstanding Events in the Sino-Japanese War at Shanghai

DAY-TO-DAY SUMMARY

(Continued from last week)

Aug. 15.—Fighting continued all day on Chapei-Kiangwan front with the Chinese forces claiming advances.

* * *

Aug. 16.—In the morning, a squadron of Chinese bombers renewed their attempt to bomb the Japanese Flagship, **Idzumo**, which retaliated with a furious fire of anti-aircraft guns. The Chinese bombs fell off the Flagship and damaged the pontoon alongside. Japanese bombers raided Chinese positions in Pootung and set many houses on fire.

Aug. 16.—Late in the evening, an attempt was made to torpedo the **Idzumo** moored below the Japanese Consulate in the Whangpoo River. Two torpedoes were said to have been fired on the **Idzumo**, but both missed their target and hit the N. Y. K. wharf. As a result of this surprise attack, the **Idzumo** moved across to the Pootung side of the Whangpoo.

Aug. 16.—A Chinese telegram from Nanking stated that sixteen Japanese planes had been shot down during their raids on Nanking, Hangchow, Kwangteh and other places.

Aug. 16.—The American Naval and Consular authorities decided at a conference to evacuate all American women and children from Shanghai.

Aug. 16.—The Ministry of Finance issued Provisional Regulations for the Conservation of the Country's Monetary Resources. They included restriction of depositors' withdrawals to five percent of their deposits, or a maximum of $150.00 per week. All Chinese banks remained closed, while foreign banks also suspended business.

Aug. 16.—Owing to danger of explosions, the Shanghai Gas Company cut off its gas supply at noon today.

* * *

Aug. 17.—Chinese troops launched fierce attacks on the Japanese positions in the Hongkew Sector and penetrated deep into that area, threatening to split the Japanese forces. The firing was so heavy and furious that the Acting S. M. Police Commissioner for the Eastern District had to withdraw the police from the area. However, their withdrawal was prevented by the Japanese.

Aug. 17.—Several foreign witnesses in Nanking confirmed the destruction of several Japanese bombers in the outskirts of the Capital. Meanwhile, the Ministry of War officially announced that over thirty Japanese planes had been destroyed during the past three days while they were attempting to raid Nanking, Hangchow and other cities.

Aug. 17.—The four Chinese Government banks and the foreign banks resumed business at their temporary offices on a restricted scale.

Aug. 17.—The first British reinforcements consisting of a battalion of Welch Fusilliers arrived at Shanghai from Hongkong. Evacuation of the first contingent of British and American women and children began this morning.

Aug. 17.—The Shanghai Municipal Council issued a proclamation today, requiring all persons except those duly exempted by the Council to remain indoors within the hours of 10 p.m. and 5 a.m. and defining three measures for the maintenance of peace and order of the Settlement.

* * *

Aug. 18.—Chinese forces pushed further into Hongkew area and advanced as far as Ward Road. The Municipal Gaol in that area was hit by several shells, causing much damage to the building and several casualties among the convicts.

Aug. 18.—Japanese bombers were active the whole day, raiding the International Wireless Station at Chenju, the Kiangnan Dock in Nantao, the Eurasia hangers at Lunghwa. Chinese positions in Chapei were also heavily bombed.

Aug. 18.—According to a cable from London, the British Acting Consul-General in Shanghai and several other neutral foreign consuls were proposing the establishment of a neutral zone around Shanghai. The proposal, when conveyed by the British Government to the Japanese Government, was rejected, while the Chinese Government consented to accept it with reservations regarding their rights of self-defence.

Aug. 18.—More British reinforcements consisting of the 1st Battalion of the Royal Ulster Rifles arrived at Shanghai. The second batch of American women and children evacuated. They left the Bund at 10 a.m., when the Japanese planes were heavily bombing Pootung.

Aug. 18.—Up to today, nearly forty foreign warships had arrived in port, the majority of them being Japanese naval craft.

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Aug. 19.—Fierce fighting continued to rage in the Hongkew Sector with the Chinese forces pressing hard into the Japanese lines. The Chinese at one time advanced as far as Seward Road and their vanguards reached the Wayside Wharf which they did not hold long.

Aug. 19.—Japanese planes again raided Nanking and it was reported that three of the Japanese aircraft were shot down. It was also claimed that eight Japanese bombers were intercepted at Kwangteh (Anhwei) while en route to Nanking and two of them were brought down before they got to Nanking.

Aug. 19.—The Chinese Foreign Office issued a statement, requesting all neutral foreign naval authorities to withdraw all their warships and merchant vessels to move to a distance of at least five nautical miles away from any Japanese warships, failing which the Chinese military authorities would request the Powers concerned to make Japanese warships move away from any foreign warships or merchant vessels to a similar distance. If neither request is complied with within 12 hours, the Chinese Government will not assume any responsibility for any damage that may be caused to the warships or merchant ships of third countries during engagements of Chinese forces with Japanese warships.

Aug. 19.—The Japanese occupied the China Merchants' Lower Wharf and announced that they intended to treat the cargo there as 'enemy goods.' It was said that the action was taken in retaliation of the alleged sinking of the six N. K. K. vessels the previous night above the Nantao barrier.

Aug. 19.—Another contingent of foreign women and children departed from Shanghai today.

Aug. 19.—An International Relief Committee was formed to devise measures for the relief of the war refugees.

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Aug. 20.—Fighting today was mainly featured by heavy air bombing and artilley shelling, both in Hongkew and in Pootung, as a result of which many fires broke out causing enormous damages to property, both Chinese and foreign.

Aug. 20.—About 6.40 o'clock in the evening, a shell fell on the American flagship, **Augusta**, moored in the Whangpoo off the Bund, resulting in the killing of one seaman and the wounding of 18 members of the crew. Investigations carried out after the incident failed to establish whether the projectile was fired by the Japanese or the Chinese forces.

Aug. 20.—Japanese planes raided Nanking twice today and it was claimed by the Chinese that two Japanese bombers were brought down by the Chinese air squadron.

Aug. 20.—The Military Authorities at Nanking announced that since the beginning of the Japanese hostilities in Shanghai, forty Japanese airplanes had been shot down or forced down, while China had lost seven planes.

Aug. 20.—More British and American nationals evacuated from Shanghai.

Aug. 20.—The Soviet Government in Moscow officially denied the Japanese charge that the buildings of the Soviet Consulate-General on Whangpoo Road had been used for signalling at night.

Aug. 20.—The First Special District Court on Chekiang Road had been moved to temporary premises in Weihaiwei Road and resumed functioning.

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Aug. 21.—As a result of Japanese bombing operations, fires raged over large areas in Hongkew, Chapei and Pootung, while indecisive fighting continued on all fronts.

Aug. 21.—Early in the morning, an aerial battle was fought between the Chinese and Japanese planes in the western district, which ended after a hot engagement of more than ten minutes.

Aug. 21.—In fear of further attacks from the Chinese, the Japanese Flagship, **Idzumo**, moved down river last night to the Yangtszepoo area.

Aug. 21.—More than thirty Japanese warships were sighted off the Pailung harbor, on the Chekiang coast, according to Chinese military reports.

(To be Continued next week)

Some of China's so-called "Amazons," or Chinese young women who have been trained to use the army rifle along with their brothers in the army. Usually, however, they serve as couriers, or look after wounded, giving first-aid at the front lines.

Miss Chen
star, visiting ar
front, was pre
canteen capture

Chinese soldier examines an unexploded Japanese air-bomb. The expression on his face probably reflects his thoughts.

One of the Chinese soldiers of the 157th Brigade, 16th Division, which participated in the defense of Paoshan.

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The Japanese
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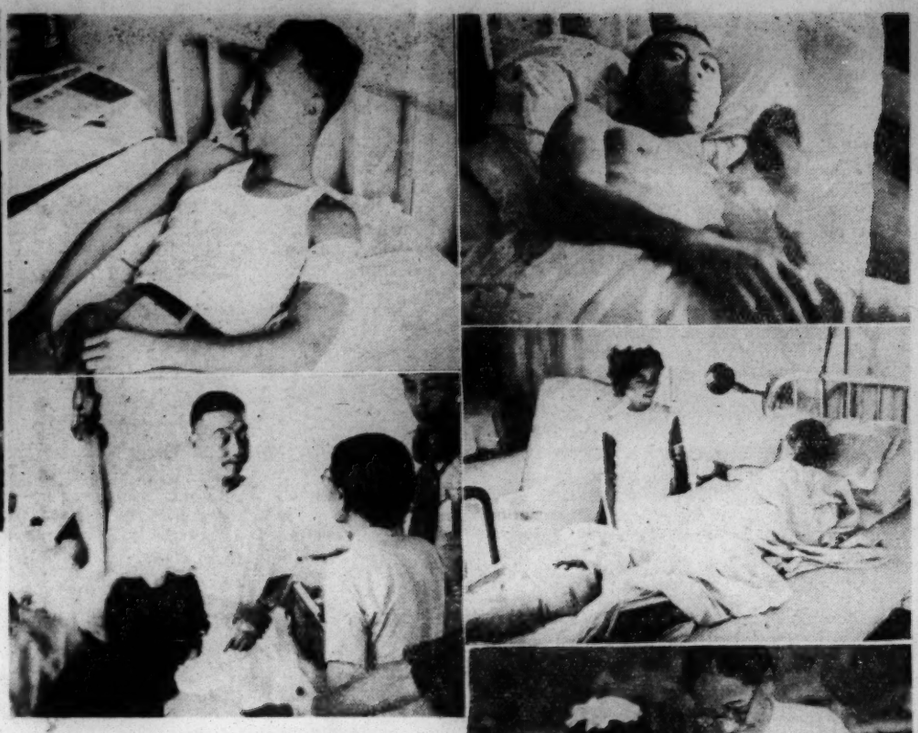
Dr. E. Stanley Jones Addresses Open Letter to People of Japan

Dr. E. Stanley Jones of the National Christian Council of China, at present in Manila, has addressed an open letter to the People of Japan, in which he says: "The central international crime that is being committed in the world today is the crime of the invasion of China by your people. It is a crime against China, against international peace, against your own best interests, and against what you might have been to the rest of us. Go back and be the kind of Japan you might have been had you not missed the turning of the road, and we will follow you and receive from you. Now we can receive nothing. As long as this wrong to China continues we can receive from you neither culturally, nor morally, nor spiritually, and it may be that we shall be compelled to say, economically. And we say this with a heavy heart for we are saying it to friends."

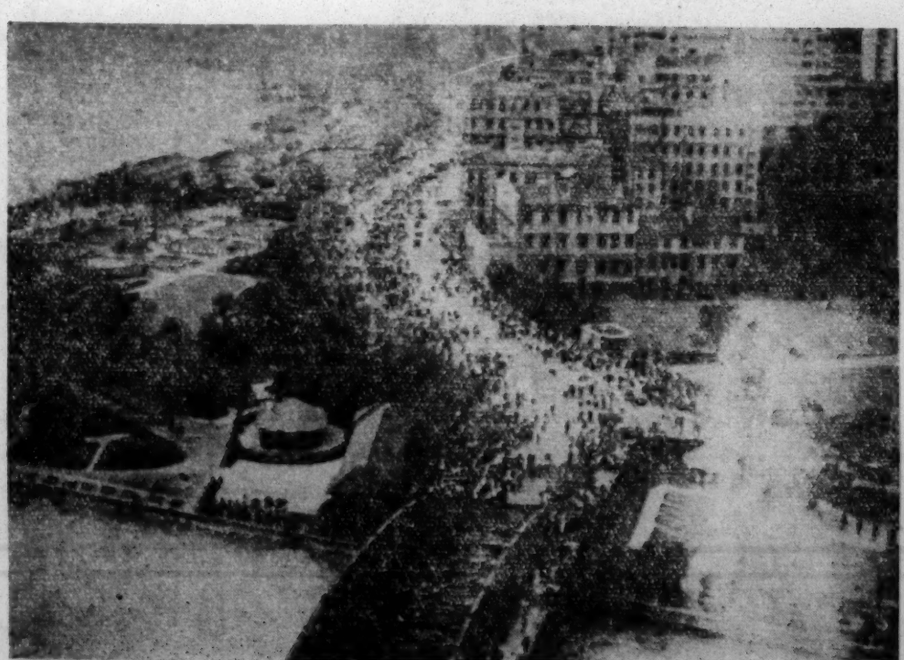
Chinese machine-gunner in the vicinity of the Shanghai North Railway station.

Miss Chen Chuan-chuan, youthful Chinese movie visiting an emergency hospital at the Paoshan was presented with a souvenir rain-coat and n captured from a Japanese officer.

e trail that led to disaster—streak of black smoke by a Japanese bomber which was struck and oyed in mid-air by a Chinese anti-aircraft bullet. Japanese plane was one of a squadron engaged in ing the area about the Shanghai North Railway n. Starting their dive well inside the International ment, south of Nanking Road, the Japanese bombers ed to a low level and loosed high explosives in icinity of the North Station, one, incidentally ng in Hongkew near a British redoubt. The plane was struck exploded in mid-air then drooped like teor with another loud explosion when it landed e the Chinese lines.



Chinese officers of the 57th Division receiving treatment at an emergency base hospital as a result of severe wounds received in fighting at Paoshan. The pictures were taken during a visit by a party of Chinese boys and girls to comfort the wounded officers. *Upper left:* Lieut. Chu Huei; *Upper right:* Lieut. Cho Hung-pei, both of the Chinese air force. *Center left:* Lieut.-Col. Pei Yi-chieh, battalion commander; *Center right:* Major-General Cheh Jui-ho; *Lower:* Lieut. Chao Hsin-ming, platoon commander.



Tens of thousands of Chinese and foreigners fled from the terrors of warfare in Chapei and Hongkew and Yangtszepoo into the sections of the International Settlement, "south of Soochow Creek."

Chinese Troops in Shanghai Area Carry Out Strategic Withdrawal to First Defense Lines

AFTER more than a month of warfare the position at Shanghai is that the area is being peppered almost daily with shrapnel from Japanese anti-aircraft guns trying to repel raids made mostly at night by Chinese bombers on the Japanese warships in the river. Occasionally also a Chinese shell from Pootung or Chapei lands in the foreign area. As an example of the latter, a Chinese shell exploded in the street at the corner of Kiangse and Foochow roads Sept. 10 at 5.30 p.m. about half way between the entrance to the Municipal buildings and the building housing the American Consulate and U. S. Court. There was a deafening blast, but the result was only three casualties, two Chinese and an Indian. So far as actual military operations are concerned the Japanese have succeeded in pushing back the Chinese forces in only a slight degree, and already the Japanese military party is telling the Japanese nation that the war in China will extend well into 1938 and that future budgets will have to be drawn up with that probability in mind.

As the result of tremendous pressure exerted by the Japanese on the Chinese lines in the Shanghai area, the Chinese troops Sept. 13 withdrew from their positions and took up a new line, about five kilometres from the old line, running from the North Station to Lotien. The withdrawal followed a weekend of severe fighting, culminating in a heavy bombardment of Chinese positions by Japanese artillery and intensive bombing of strategic points by the newly-arrived Japanese army planes. Casualties are believed to have been extremely high.

According to an announcement by the Chinese military headquarters at Nanking the Chinese withdrawal was orderly and is reported to have followed the complete demolition of hastily erected temporary defence works after three weeks of merciless Japanese aerial, artillery and naval bombardment. The decision to withdraw was reached on Sunday night, and was carried out the following morning, says the announcement, "without loss and in a very orderly manner."

The Chinese troops fell back approximately five kilometres from the old line at the International Race Course, the Municipal Centre and a district in the Settlement north of the Soochow Creek. The Chinese forces are at present holding a new line running almost straight from the North Station—along Patsechiao, Tachang, and Liuhang—to Lotien.

The new line, in the opinion of Chinese circles, will afford better co-ordination of the Chinese units in various sectors and also avoid the heavy gunfire from Japanese warships.

Chinese officials in Shanghai confirmed the withdrawal of troops from Yuehpu and the Civic Centre in conformity with the general battle line.

Japanese Have 700 Naval Guns at Their Disposal

It was explained that when the Japanese conducted landing operations at various points on the coast three weeks ago under cover of the heavy guns of their fleet, the objective of the Chinese command was to delay and harass the landing. It was not hoped permanently to repel the landing, as the fleet covering the landing operations mustered more than 700 naval guns of every calibre, and the Chinese army had not guns of sufficient metal to drive off the naval vessels.

After the Japanese had effected landing at several points on the Whangpoo and Yangtze, the next objective of the Chinese Headquarters was to prevent as long as feasible the junction of the various units landed, to inflict as much damage as possible before the enemy positions were prepared, and gain time in order that our troops could prepare entrenched positions out of effective range of the Japanese naval guns. As the purposes of the operations have thus been accomplished, it was no longer necessary for the Chinese troops to operate under the guns of the enemy fleet, and in accordance with the general strategic plan the Chinese forces retired by stages to their first defensive line.

Japanese Flag Raised Over Civic Center at Kiangwan

The Rising Sun flag was hoisted over the administration building of the Shanghai Civic Center at Kiangwan, following the capture of the area by Japanese Army and naval forces, in co-operation with the naval air forces, on the afternoon of Sept. 13. The Far Eastern Race Course was also occupied by the Japanese. The Japanese reported finding a crippled Chinese airplane, arms, munitions and other war material captured at the Race Course.

Twenty-Six Chinese Divisions Between Shanghai and Soochow

Twenty-six Chinese divisions are concentrated in the area between Shanghai and Soochow according to the estimates of the Japanese army. Their numerical strength was stated to exceed more than 350,000. Of this number, a Japanese spokesman asserted, approximately 140,000 are massed along the front lines. The Chinese forces at the front, the spokesman said, seem to have little artillery. He added, "Their best guns, 15 cm. howitzers, have apparently been placed in Pootung."

China Alcohol Plant in Pootung Destroyed by Japanese Bombers

The $3,000,000 plant of the Chinese Alcohol Distilling Company at Pailienching in Pootung was damaged by six Japanese heavy bombers which one after the other let loose their destructive missiles on the afternoon of Sept. 13.

In connection with a Japanese plaint that British flags were flying from the Chinese-owned plant of the China Alcohol Distilling Company in Pootung when the factory was bombed by Japanese naval aircraft, it may be stated that this Company, a joint government and Chinese private enterprise was built two or three years ago by Graham and Painter, Americans. The company enjoyed practically a monopoly of the manufacture of alcohol used for industrial purposes and manufacture of Chinese wines in the Shanghai district. The Chinese private interest in the company, a $3,000,000 enterprise, was owned by the Kian-Gwan Company, British Company, registered in India, but most of the shareholders are Chinese in Java, most of whom have emigrated from Fukien in past years. The alcohol was produced largely from sugar as the company also has a sugar mill and refinery. In view of the British incorporation of the parent company, there was some justification for the use of the British flag, although the company itself was Chinese.

Chinese soldier preparing to hurl his "potato-masher" hand-grenade at the enemy in the vicinity of the Shanghai North railway station.

China Woodworking Plant at Yangtszepoo Destroyed by Fire

The China Woodworking Company (a subsidiary of the China Import and Export Lumber Co.) sustained a loss of about $300,000 during the night of Sept. 9 when its plant in Yangtszepoo was burned to the ground. The fire resulted from a midnight raid by a Chinese bomber.

Japanese Bombers Destroy Buddhist Temple at Loongwha

The Buddhist temple at Loongwha, dating back to A. D.250, was reduced to ruins as the result of two air raids Sept. 11, when a total of 24 bombs, some of the heaviest type, were dropped by Japanese airman. Five priests, two policemen and 13 worshippers were killed, in addition to 30 badly wounded. Most of the idols escaped unscathed. The Loongwha pagoda was not hit. The Japanese airmen evidently tried to bomb the former headquarters of General Yang Hu, local garrison commander about a block distant, but mistook the building.

Chinese Batteries in Pootung and Japanese Warships in Harbor in Noisy Engagement

The noisest engagement that Shanghai experienced during the first month of warfare took place Sept. 10, when the Japanese warships in the harbor and concealed batteries in Pootung, exchanged shots for more than an hour. There were no casualties

in the International Settlement or the French Concession. The Chinese batteries had considerably improved on their aim and shells fell all around the *Idzumo* and the Japanese destroyers. Some of the missiles fell close to the Japanese hospital ship *America Maru*, which was later moved down stream, after Japanese casualties had been put on board. Foreign observers state that the Chinese used most effective strategy. They had painted up old carts camouflaged as batteries, and exposed these. It was these carts that drew most of the Japanese fire. The Chinese batteries themselves were hidden in bamboo groves and evidently the various units were moved about from time to time so as to prevent the Japanese from getting their range.

Japanese Repulse Chinese Attack Near Village West of Shanghai University

Chinese forces, early in the morning of Sept. 11 launched a determined attack on Japanese positions near a village to the northwest of Shanghai University, but were repulsed with considerable losses after a bitter 30-minute battle, a spokesman for the Japanese Fleet announced the same afternoon.

Japanese Heavily Bomb Pootung Area—Huge Fires in Chapei

Japanese airplanes carried out a series of heavy bombing raids over the Pootung area Sept. 13. Heavy damage was caused to various industrial enterprises. Bombs were also dropped in the Kiangn n Dock region on the Nantao side of the river.

Three shrapnel shells, apparently fired from Chapei, burst over the British Consulate General premises in Shanghai during the afternoon of Sept. 13. The damage was small and no one was injured.

The Chapei area w.s the scene of a long succession of fires throughout the day (Sept. 13), partly the result of Japanese bombing, and partly as the result (so the Japanese claimed) of fires purposely set by Chinese troops to cover their withdrawa .

Anti-aircraft shells which burst over the Settlement at 9.15 a.m. Sept. 13 wounded five Chinese in the vicinity of Avenue and Carter Roads. A small calibre anti-aircraft shell, fell at the corner of Avenue Joffre and Route des Soeurs at 11.35 p.m. Sept. 13. No one was injured.

Chinese Battalion Defending Lotien Entirely Wiped Out

The lone Chinese battalion which held out last week in the city of Paoshan, refusing to retreat despite withering Japanese shelling and aerial bombardment, had all died at their posts, it was definitely ascertained in Chinese military circles Sept. 9.

Italian Grenadiers, 800 Strong, Arrive in Shanghai for Extended Stay

Eight hundred Italian troops, formerly stationed in Abyssinia, arrived in Shanghai Sept. 14 on the Italian liner *Biancamano*, as part of the Shanghai Foreign Settlement defense forces. They are the Savoy Grenadiers, with Lieut. Col Andreini in command, and are a splendid body of men. They are temporarily quartered at the old Japanes School in Kaiochow Road. The Italian Government intends to keep forces permanently here the same as America and Great Britain do.

More British Troops on Way to China

As reinforcements to the British forces in China 187 officers and 1150 soldiers embarked from Southampton Sept. 7 on board the new British troop transport ship *Dunera*. Before its departure the new ship was inspected by the Secretary for War, L. Hore-Belisha.

Japanese Idea of Neutralizing Shanghai Is to Drive Chinese Away

Decision on the demilitarization of Pootung and the withdrawal of Japanese warships beyond a certain point on the Whangpoo River lies in the hands of Admiral Hasegawa, Commander-in-Chief of the Third Fleet, the Gaimusho informed respresentatives of America, Britain, France and Italy Sept. 10.

The Japanese Government has no definite ideas regarding the proposals regarding a neutralization of the Shanghai area, an official of the Gaimusho declared. The Tokyo Government, he said is apparently too busy at the present time to give full attention to the problem. Besides, he pointed out, the question of neutralization may assume a different aspect when the Chinese are driven out of the Shanghai area.

American Government Issues Suggestions on Filing Claims for Losses

The American Consulate General in Shanghai has sent circulars to American citizens and institutions who have suffered losses as a result of the war operations giving suggestions on how to present their claims. One of the points stressed is that documents establishing ownership must be presented. Evidence establishing the identity of the force or forces responsible for the losses is likewise asked for.

Hirota Sends Envoys to Shanghai to Get Kawagoe's Report

Foreign Minister Koki Hirota Sept. 12 ordered two Gaimusho officials (Yoshiatsu Murakami and Kintaro Maze, respectively Minister to Peru and Consul in San Francisco) to proceed to Shanghai to receive Ambassador Kawagoe's report on the latest developments in the political situation in China. They were scheduled to leave Nagasaki for Shanghai on Sept. 18 aboard the s.s. *Shanghai Maru*.

China Appeals to the League Under Articles 3, 10 and 17

Dr. Wellington Koo and Quo Tai-chi, China's delegates to the League of Nations, attended the 98th Council meeting which opened at Geneva Sept. 10.

The Chinese Government's formal appeal to the League of Nations, presented by Dr. Wellington Koo, China's chief delegate in Geneva, Sept. 12, stressed the fact that Japan has invaded China and was continuing the invasion with all her army, navy and air force, this being an aggression against the territorial integrity and existing political independence of China, a member of the League of Nations, and clearly constituting a case to be dealt with under Article X of the Covenant. The grave situation which Japanese aggression has thus created, the appeal continued, also falls within the purview of Article XI of the same instrument and, therefore, is a matter of concern to the whole League.

No date has so far been set by the League Council for the discussion of China's appeal.

Ho Chieh-tsai, Nanking's representative at the League of Nations, on the night of August 30 presented to the Secretariat of the League a memorandum on the Sino-Japanese Incident in China which claims that despite China's resolution to settle the affair peacefully, Japan in violation of all international pledges is pursuing its aggressive ambition in China. He requested that the memorandum be conveyed not only to the Powers signatory to the League Convenant but also to all the Governments which participated in the Lytton commission.

Articles X provides that in case of aggression, or in case of any threat or danger of such aggression, the Council shall advise upon the means by which this obligation shall be fulfilled.

A communique from the Chinese delegation to the League of Nations Sept. 9 categorically denied that the Sino-Soviet non-aggression pact aimed at the Bolshevization of China.

W. W. Yen Heads Appeal to League Assembly

Dr. W. W. Yen, former Chinese Ambassador to Moscow, Sept. 13 headed the list of prominent Chinese in addressing a radiogram to the League of Nations Assembly now in session in Geneva, appealing for effective measures against Japan.

China Informs League Present Japanese Action Is Aggression Pure And Simple

In two statements presented to the League of Nations for distribution among its members, China formally apprised the Geneva body of the development, scale, intensity and grave implications of Japan's present invasion of Chinese territory. The first statement, presented, to the League on Aug. 30, reviewed the situation from the Lukouchiao incident up to events shortly after the outbreak of hostilities in Shanghai on Aug. 13.

In a second statement to the League Sept. 11 the Chinese Government cited many instances of Japanese bombing of Red Cross units, indiscriminate attacks on non-combatants, the wanton destruction of educational and cultural institutions. It was pointed out that the lives of 450,000,000 people of China are at stake and the civilization and security of the whole world in the balance. Special attention was drawn to the intensification of Japan's declaration of a blockade against Chinese shipping along the entire coast. The statement ended by stating that Japan is determined to extend her aggressive action to the length and breadth of China with the object of destroying her body politic and wiping out the very civilization of the Chinese nation.

Chinese College Professors Urge Sanctions Against Japan

That sanctions be applied against Japan for her invasion of China, was urged by Dr. Lo Chia-lun, President of the National Central University, Dr. Chen Yu-kwang, President of the University of Nanking, and Dr. Wu Yi-fang, President of Ginling College, in a joint cable to the League of Nations, Sept. 12.

Japanese Government Bonds to Be Issued in 1937-38 Estimated to Total Yen 3,370,000,000

THE Tokyo *Asahi*, Sept. 3 called attention to the fact that the bonds which the Japanese Government had originally contemplated issuing during the 1937-38 fiscal year totalled a value of Yen 1,370,000,000, including the "North China" Incident Expenditure Bond approved at the 7th Session of the Imperial Diet. But, as things have turned out, the amount of Government bonds to be issued to raise funds for the supplementary budget for the "China" Incident had to be increased by an aggregate of more than Yen 2,000,000,000, so that the total amount of the bonds to be issued by the Japanese Government during the present fiscal year will jump to the enormous amount of Yen 3,370,000,000. The *Asahi* foresees difficulties in floating this huge amount of bonds, commenting, "Under the circumstances, the future bond policy of the Government is being carefully watched in financial circles."

Yuki Says Japan Can Digest National Bonds

Firm belief that Japan is capable of digesting the vast amount of bonds to be issued by the Government to finance the conduct of hostilities in China was expressed in Tokyo Sept. 13 by Toyotaro Yuki, Governor of the Bank of Japan, at a conference of representatives of clearing houses.

Japanese War Minister Indicates That War in China Will Be Protracted

"Although the results achieved by the Japanese forces in both North China and the Shanghai area are fully up to expectations, Japan should redouble her efforts to bring about an early termination of the current conflict," General Gen Sugiyama, Minister of War, declared in an exclusive interview with *Domei* Sept. 10. The Minister of War emphasised, however, that the nation should also be fully prepared for a protracted conflict.

Japanese Government to Spend Yen 250,000,000 for Giant Civil Aviation Plan

The Tokyo *Asahi* Sept. 4 stated that Ryutaro Nagai, Communications Minister, is planning to establish a concrete national aviation policy. The proposed five-year extension scheme calls for a total expenditure of some Yen 240,000,000-Yen 250,000,000. Five thousand pilots are to be trained within the coming three years.

Japanese Premier Justifies Policy of Coercion So as to Secure "Cooperation"

Premier Konoye in a speech this week stressed the vital necessity of Sino-Japanese co-operation to the future existence of China. "It is impossible," the Premier asserted, "for China to exist without Sino-Japanese co-operation as its basic principle." He added, "There can be no internal peace among the nations of the Orient without general peace in the Far East." Continuing, Prince Konoye expressed his doubts whether China could be happy by pursuing an anti-Japanese policy.

Craigie and Hirota Exchange Views on China Problem

Sir Robert Leslie Craigie, the newly appointed British Ambassador to Japan, called on Foreign Minister Koki Hirota in Tokyo Sept. 10 to exchange views on the latest developments in China. The envoy presented his credentials to the Emperor the following day.

Tokyo Notables Demand War on Communism

Active enforcement of the German-Japanese Anti-Comintern Pact, concluded on Nov. 25 last, was demanded in a resolution passed in Tokyo Sept. 3 by a meeting of Japan's leading officials, politicians, newspapermen and reactionaries. The developments in China, the resolution passed by the rally charged, "clearly show that the Comintern is exerting a powerful influence upon the Nanking Government." "Japan," the declaration added, "is thus directly confronted by the threat of Communism."

Anti-War Movement Underway in Japan, "Central News" Says

A *Central News* telegram from Nanking Sept. 13 stated that with a view to squelching groups and service men who are opposed to the ruling military clique, a movement is already afoot in Japan to put a stop to all activities which may tend to weaken the international prestige of Japan.

Japanese Exporters Greatly Alarmed at Boycott of Japanese Goods

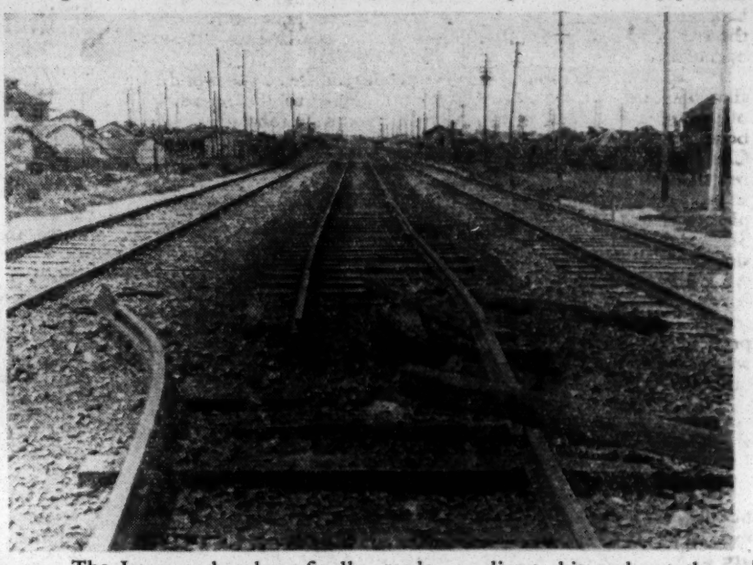
The Tokyo *Nichi Nichi* reports that Japanese exporters are greatly alarmed at the movement to boycott Japanese goods in China, Singapore, Malacca Peninsula and the Philippines. In many ports of the southern part of the Pacific Chinese dockers refuse to load and unload Japanese steamers.

Japan Hopes to Hold Olympic Games in 1940 as Previously Planned

Categorically denying reports alleging that the prospects for the organization of the 1940 Olympic Games are poor due to the Sino-Japanese hostilities, the general secretary of the Olympic Organizing Committee asserted in Tokyo Sept. 11 that such rumors were unfounded. Japan sees no reason for abandoning the projected international athletic meet, the official stated.

Tokyo "Asahi" Will Donate 60 Planes to Japanese Army and Navy

The Tokyo *Asahi* will donate 60 planes to the Japanese Army and Navy. Twelve of these planes will be delivered this month. All these planes will be labelled, "All Japan."



The Japanese bombers finally made a direct hit and cut the railway south of Shanghai.

Britain Allows Japan to Verify Papers of All British Ships

To prevent the abuse of the British flag in Chinese waters, the Board of British Trade Sept. 13 advised masters of British ships bound for Chinese ports, that in the absence of a British warship, they should, if requested to heave to by a Japanese warship, allow Japanese officers to examine the certificate of registry.

Paris Journal Says Britain Plans Sanctions Against Japan

La Republique, Paris leftist journal, Sept. 11 declared that London was considering sanctions against Japan as the blockade of the China Coast by the latter is hindering British traffic.

Viscount Ishii Will Explain Japanese Policy to Americans

Viscount Ishii, former Japanese Ambassador to the United States, will shortly visit the United States to explain Japan's policy in the current conflict.

Prominent Japanese Hold Meeting to Strengthen Japan-Germany Anti-Comintern Agreement

A meeting of prominent Japanese, at which Lieut.-General Tada, Vice-Chief of the Army General Staff was present, was held in Tokyo recently to support the movement is to strengthen the Japan-German Anti-Comintern Agreement and forge closer ties of friendship between the two nations. The declaration adopted at the meeting says that Communism is not only against the laws of nature and humanity, in its theory, but is a menace to the modern world, in its practice, for it is designed to overthrow States, disturb society and destroy family life. The action taken by the Japanese Government in concluding the Anti-Cominetrn Agreement with Germany in November, 1936, was, therefore, most appropriate, the declaration said.

Madame Chiang Says She Is Bewildered at Silence of Foreign Powers

Bewilderment at the silence of Western nations in the face of Japan's war against China, which is "resulting in massacres, demolition of homes and dislocation of business," was expressed by Madame Chiang Kai-shek in a special broadcast to America from Nanking Sept. 12. "If the whole Occidental world is indifferent to all this and abandons its treaties," she declared, "we in China, who have labored for years under the stigma of cowards, will do our best." "We will try to fight," she added, "until we win or are really beaten to our broken knees, even if our good earth, with all its history and its cares, is steeped with blood and swept by fire and destroyed."

Deploring the tragic accidents in Shanghai, which caused death, injury and suffering to Americans and other residents, Madame Chiang Kai-shek stated that "such accidents could never have happened had it not been for the fact that the Japanese brought the war into Shanghai by using the Settlement as a base for military operations.

"Japanese militarists lie to their people and lie to the world," she continued, "in accusing China of resorting to the spreading of cholera germs among the Japanese troops in Shanghai, just because for five weeks Japanese troops have been unable to bring China to her knees as they had boasted. "They used the concentrated weight of the most modern implements of war, but our soldiers are still holding them. Japan is acting on a preconceived plan to conquer China. Curiously, no other nation seems to care. She seems to have secured their spellbound silence, uttering the simple magical formula: 'This is not war but merely an incident.' All treaties and structures to outlaw war and to regularize the conduct of war appear to have crumbled, and we have a reversion to the day of savages. If such calculated ruination of life and property can be done before so-called hostilities have developed, what is going to happen now that the Japanese have begun carrying out their threat to crush China completely?"

Japanese Burn Chinese Girls' School, Allegedly Used as Machine Gun Nest

Attacking the Aikuo Girls' School, Chapei, allegedly utilized by the Chinese to house three machineguns and two trench mortars, a party of nine Japanese volunteers succeded in setting fire to it, a Japanese naval spokesman stated Sept. 7.

Two Provisional Universities to Be Set Up in Changsha and Sian

Defintite announcements concerning the establishment of two provisional universities in Changsha (Hunan) and Sian (Shensi) mainly for students from the Tientsin-Peiping area were made by the Ministry of Education Sept. 8. At the request of the Ministry, it was learned, the Sino-British Boxer Indemnity Board has decided to allot $500,000 to defray part of the expenses for the two temporary institutions.

Stranded Students from North Accommodated at Nanking

Hundreds of students from the war zone in Peiping and Tientsin at present stranded in Nanking are being accommodated at the Second Municipal School, where meals are provided for them by the educational authorities.

More Than 400 Killed or Wounded as Japanese Planes Bomb Chinese Vessels

Japanese aircraft bombed a fleet of nine Chinese sailing boats at Yenchitun on Soochow Creek Sept. 13 at 4.30 p.m. As a result of the bombing more than 400 Chinese refugees were either killed or wounded and three of the boats were sunk and six others damaged beyond repair. The ill-fated vessels had left Shanghai for Kashing and were especially prepared for conveying Chinese refugees to their native towns.

Three Hundred Chinese Refugees Killed When Japanese Bomb Train at Sungkiang

Hundreds of Chinese refugees, most of them from Shanghai, and many others were killed when their train, standing at Sungkiang, first important station west of Shanghai on the Shanghai-Hangchow Railway, was bombed by Japanese airplanes Sept. 8, Mayor O. K. Yui announced at a Chinese press conference. At least 300 persons, mostly women and children, were known to have been killed outright, while an even larger number was wounded, he stated. No soldiers were among the casualties.

Chinese Will Tour World to Expose Japanese Barbarism

Leading Chinese intellingentsia are planning to tour the various European countries and the United States to reveal the barbarism of the Japanese invaders. Among those who will be sent abroad will be Madame Sun Yat-sen, Chang Po-lin, Herman Liu, Chang Nai-chi and Chow Tu-fen, leading members of the All-China National Salvation Association.

Japanese News Agency Publishes Wild Reports of Executions at Shanghai

A conspicuous example of the exaggerated reporting in connection with the war in the Shanghai area which is engaged in by Japanese reporters was furnished by a *Domei* report from Shanghai appearing in the *Japan Advertiser* stating that two Chinese staff members of the Shanghai *Evening Post* had been executed by a firing squad on the authority of the Shanghai-Woosung Garrison Headquarters on the morning of September 4. The reason for the executions, according to *Domei*, was that "they circulated reports detrimental to the Chinese Army." "Details surrounding the execution of the newspapermen have not yet been disclosed," the article added. The *Post* ridiculed the allegation. Also reported executed were Frank Ma, formerly attached to the Manchukuo Embassy in Tokyo, later on the staff of the *China Press*, one reporter of *The China Weekly Review*, and two reporters of the leading vernacular daily here, the *Tah Kung Pao*.

The facts are as follows: Two reporters on the *China Press* who had been in Manchukuo for a time after the Japanese took over, had been threatened, hence for their "protection" they were taken to Garrison Headquarters and are still held there. Assurances have been given that they have not been executed. Reports about other arrests and executions of newspaperman were altogether false. It was also reported by *Domei* in Tokyo that J. B. Powell, editor and publisher of *The Review* had been dangerously wounded; this was also false. In the case of Mr. Powell, the facts were that in the course of his work as correspondent for the *Chicago Tribune* he visited Chinese lines in the vicinity of Kiangwan and was there when the sector was shelled by a Japanese field battery located at Rokusan Garden near Hongkew Creek. More than 40 shells were fired; some exploded near the dugout where Mr. Powell and a member of the Chinese staff, Hoh Chieh-shiang, remained until the shelling was over. His car was struck twice but no casualties occurred. The car carried an American flag when it was shelled.

Cholera Epidemic in Shanghai—Chinese Deny Japanese Allegations of Bacterial Warfare

Categorically denying Japanese charges, a Chinese military spokesman at the press conference in Shanghai, Sept. 10 said China would never resort to bacterial warfare. The Japanese allegation was based on the fact that there are more than five hundred cholera cases in Shanghai (Foreign Concession and Settlement) at the present time, mostly among Chinese refugees. The mortality rate so far has been less than 10 percent. Five deaths from cholera among Russians occurred during the week in the French Concession.

The French Concession authorities are adopting a liberal policy in caring for indigent Russians. Food for refugees is being provided by the Caisse des Oeuvres, whose funds come mostly from the heavy taxes laid on the dog racing and hai-alai sporting institutions. The Russian Emigrants Committee is also rendering assistance. The Nansen International Office has also been asked to help. There are 139 Russian refugees now in the Russian Club, 46 at the Russian Socol and 28 at the Russian House. The refugees who live at the Russian Socol come to the Russian Club to have their meals. The Russian Orthodox School on Avenue Petain has been converted into a hospital, where 70 people with cholera, Chinese chiefly, are being treated.

The Shanghai Foreign Settlement's Health Department has under its supervision 115 refugee camps, in which there are more than 60,000 refugees.

The New World Amusement Centre in Yu Ya Ching Road has been coverted into a refugee camp. About 9,000 refugees from Chapei and other outlying districts are being accommodated there.

Four Japanese Soldiers Killed in Fighting Bandits in Sinkiang

Four Japanese soldiers were killed in action and two others, including Non-Commissioned Officer Ogawa, were wounded when the Onishi punitive squad repulsed a horde of 150 bandits following fighting near Tangyuan in Sinkiang Province, it was reported in Hsinking Sept. 114.

Japanese Officials from Manchukuo Study Economic Conditions in North China

A group of experts of the Manchurian Affairs Bureau of the Japanese Government, headed by Kazuo Aoki, Vice Chief of the bureau, arrived in Tientsin on September 4 for a three weeks' stay. The *Tokyo Asahi* says the experts will make an investigation of the economic conditions in North China and will form a concrete conclusion as to the appropriate measures to be taken to deal with the situation in accordance with the policy of the Japanese Government.

Secretary Hull Says Americans in China Will Be Protected Until Danger Is Past

The United States does not intend to withdraw her troops and warships from China as long as warfare continues, declared Cordell Hull, U.S. Secretary of State, at a press conference in Washington Sept. 9. Approximately 8,000 Americans, Mr. Hull asserted, were still in China, but they were "filtering out by degrees."

Need for Larger U. S. Regular Army Stressed by War Department Official

The need for a stronger permanent army in the United States was emphasized by the United States assistant-Secretary for War in a speech to war veterans Sept. 13. He declared that the United States permanent army should consist of 18,000 officers and 280,000 men.

U. S. Determined to Keep Nation from Warfare Says Secretary Roper

The American people were virtually united in their desire and determination to keep out of war, declared Daniel Roper, U. S. Secretary of Commerce, in Washington, Sept. 8 commenting at a press conference on the business situation as reflected in the wave of liquidation of securities during the previous two days. Anything tending to run at cross-currents with this determination, Mr. Roper added, was naturally unsettling.

New York "Times" Foresees that America Will Have to Abandon Isolation Policy

The New York *Times* Sept. 12 commented that the events in the Far East and the Mediterranean are proof of the difficulties which the United States Government will have to face in adopting an isolation policy. The *Times* added that it is possible that the United States may accept little by little the responsibility which it should assume as a great world power.

American Pacifists Inaugurate World Peace Campaign

About twenty pacifist organizations in the U.S. with a membership of 25,000,000, will open a world peace campaign on Sept. 19, with Secretary of State Cordell Hull making the opening speech.

China Hostilities Expected to Help U. S. Trade in Philippines

Advices from Washington this week indicated that Sino-Japanese hostilities may result in sharp increases in United States exports to Manila. It was recalled that Chinese control much of the retail business in the Philippines, and they were expected, as a result of the hostilities, to decrease their purchases from Japan, which have been increasing steadily during recent years.

Meanwhile, an artificial stimulation of business is likely to increase the demands for numerous commodities, such as textiles, of which the United States is the most logical supplier, if Chinese merchants in the Philippines boycott Japan.

Dr. C. T. Wang Appeals to American Generosity to Help Wounded and Destitute

Describing the Japanese forces in China as marauders, the Chinese Ambassador, Dr. C. T. Wang in a press interview in Washington, Sept. 7, intimated that China would not only attempt to defeat them but would also endeavor to regain her lost territories. Dr. Wang added, "we know that the attempted conquest of China is only a small part of what the Japanese militarists envisage. They mean to create a Pacific Empire, which would include not only China but all lands in the Pacific including the Phillippines, Australia and Hawaii—if she can get them."

Dr. Wang declared that the famous Japanese Tanaka Plan of 1927 for territorial expansion is being put into practice. Dr. Wang concluded by appealing to the generosity of the American people for funds in helping wounded or destitute civilians in the Far East.

Nansen Office Worried Over Plight of Russians in Shanghai

The position of Russian refugees in China is giving the Nansen Office much concern, as the number in Shanghai alone is estimated to be between 15,000 and 20,000, a telegram from Geneva Sept. 14 stated. Later telegrams stated that relief would be afforded to destitute Russians here.

"Guardian" Says Japan's Main Effort Will Be Made in North, Not in Shanghai

The *Manchester Guardian* Sept. 14 stated that at the end of two months' war in China, it is possible to draw only one conclusion—the main Japanese effort will be made in the North, not at Shanghai. Whether China is beaten to her knees or not, Japan, it adds, must always consider the possibility of war with the Soviets

Italy and Netherlands Join in Second Protest Against Airplanes Over Shanghai

A second request to both the Chinese and Japanese authorities to refrain from flying airplanes over the International Settlement south of Soochow Creek and the French Concession was made Sept. 15, by the American, British and French Admirals in port, this second request having been joined in by the Commanders of the Italian and Netherlands naval forces here. The danger to non-combatants was once more reiterated.

About Half of the Americans in China Decide to Brave Risks of War and Remain Here

Reports from various parts of China, including Shanghai, indicate that about half of the American population in China will brave the risks of war here rather than abandon their interests. This applies equally to the business and the missionary communities. Recent advices from Peiping and other points inland, indicate that few Americans have heeded the intimation of the American Government that they ought to leave the country. It may be stated incidentally that despite the great exodus of Russians and some Americans from Tsingtao, shipping people who visit the port in the course of their ordinary duties on British coastal boats state that they consider Tsingtao for the present, and for some time in the future at least, one of the safest places in China. The American population in China in normal times is about ten thousand.

President H. C. E. Liu of the University of Shanghai in a recent interview said, "We deeply appreciate the sacrificial service of the American missionaries and we oppose their evacuation as suggested by some people in Washington."

Americans Slow to Make Use of Evacuation Facilities

The U.S.S. *Sacramento* departed from Shanghai Sept. 13 with 23 Americans (including dependents), bound for Hongkong, where they are to connect with the s.s. *President Coolidge* for the United States. The U.S. Naval authorities stated that there was accommodation for 40 persons (for whom also reservations had been made on the *Coolidge*) but despite the efforts made by the Evacuation Committee, accommodations for 17 were not made use of.

Chinese Liberty Bonds Top $100 Millions

With a pledge of $20,000,000 by the Kiangsu Provincial Committee for the sale of the Liberty Bonds under the chairmanship of Chen Li-fu, the first installment of $100,000,000.00 was over-subscribed by a large margin, according to information emanating from the National Committee's head office, Sept. 13.

68-Year Old Cantonese Woman Contributes Lifetime Savings

Contributing a thousand dollars, the entire savings of a lifetime, 68-year old Mrs. Cheng of Fatshan, Kwangtung, has notified the Fatshan branch of the Bank of China that she was glad to be able to turn in the modest sum for national defense purposes.

Chinese Intellectuals Asked to Buy Liberty Bonds

The Ministry of Education has published a set of regulations governing the subscriptions to the Liberty Bonds by teachers, students and staff members of various educational and cultural organizations. College professors, according to the regulations, are required to invest a half month of their salaries and middle school teachers thirty per cent of their income in these patriotic bonds.

Chinese Overseas Contribute Liberally to War Chest

Up to Sept. 7, approximately $3,000,000 had been received by the Overseas Affairs Commission from Chinese nationals abroad as contributions to the war chest. The largest donation came from overseas Chinese in the Philippines who gave altogether $700,000, while the second largest totalling more than $690,000 was from Singapore.

Usual Public Drawings Held for Government Loan Amortization

The usual Public drawings for the amortization of the 17th Year (1928) Currency Long Term Loan (Eighth Drawing), the 24th Year (1935) Electric Power Administration Loan (Eighth Drawing), the 25th Year (1936) Consolidation Loan, Class B (Fourth Drawing), the 25th Year (1936) Kwangtung Currency Readjustment Loan (Second Drawing) and the 26th Year (1937) U.S. Currency Loan for Harbor Construction and River Conservancy in Kwangtung (First Drawing) were held on September 10, at the premises on the Shanghai Chinese Bankers' Association.

Chinese May Confiscate Japanese Property and Suspend Boxer Payments

In view of the increasing Japanese aggressions and atrocities in China, the movement to urge the Government to confiscate enemy properties in China and discontinue the payment of the Boxer Indemnity is gaining momentum.

Men and Events

H. R. Knickerbocker, ace correspondent of *International News Service*, arrived in Shanghai last week to cover the China-Japan war.

Thomas Dillon, managing editor of the Minneapolis *Tribune*, is traveling in the Far East and is expected in Shanghai shortly.

Dr. Wu Lien-teh, head of the National Quarantine Service, was recalled to Shanghai Sept. 11 while en route to London from Bandoeng, because of the cholera epidemic.

The Japanese Ambassador in Prague last week enquired concerning shipments of war material from Czecho-Slovakia to China. It was denied that he had "protested" against such shipments.

The Central Government has appropriated a cash reward of $10,000 for distribution to the police units of Greater Shanghai, as a reward for assistance rendered in the defence of Shanghai.

The American cruiser *Augusta's* minstrels gave two performaces this week to crowded houses in a Shanghai theatre. The proceeds are being contributed to refugee relief.

Foreign correspondents stationed in Nanking were guests of Dr. T. T. Li, director of the Intelligence Department of the Ministry of Foreign Affairs, at a dinner at the International Club Sept. 10.

A committee of Chinese woman, under the chairmanship of Madame Wellington Koo, wife of the Chinese Ambassador to Paris, has been formed for the relief of wounded and destitute in the Sino-Japanese conflict.

Dr. K. C. Wu, mayor of Hankow, and Dr. G. S. Moss, British consul-general, have been elected chairman and vice-chairman respectively of the newly established Central China branch of the International Red Cross Society.

Miss May W. Barker, spinster tourist from Oklahoma City, was one of the 13 Americans who arrived in Shanghai from Aug. 9, Ningpo after a long overland trip from Mokanshan. The Mokanshan evacuation, she declared, was her third in two months and so she decided to evacuate finally to the U. S.

W. H. Donald, adviser to General Chiang Kai-shek, at present in Australia, in the course of a statement to the *Sydney Morning Herald* Sept. 11, said Japan will launch the biggest offensive yet seen in the Far Eastern fighting in an attempt to drive the Chinese from their present positions.

Dr. George Sellett, former U. S. District Attorney and practicing lawyer at Shanghai, who is now in the United States, probably will not return to Shanghai before Nov. 1 according to information received this week. Dr. Sellett, who traveled home on the Clipper plane by way of Manila and Honolulu, is now in New York.

General Li Chi-shen, former Kwangsi leader; General Chen Ming-shu, former Chairman of the Kwangtung Provincial Government and former Vice-President of the Executive Yuan; and General Chiang Kwang-nai, former Commander of the famed 19th Route Army, arrived in Nanking this week from the South to assist in the military operations against the Japanese.

Eleven thousand two hundred and eighty-six children including 6,034 boys and 5,252 girls, who lost their families as a result of the Sino-Japanese hostilities, are taking refuge in the camps with their parents, (according to an investigation recently made by the National Child Welfare Association of China) in one hundred and forty-eight refugee camps established by various voluntary organizations in Shanghai. Of these, two hundred and fifty-two children have been suffering from various kinds of disease.

Pleading guilty to a charge of voluntary manslaughter, Ray Pietzole, convicted twice for vagrancy in Shanghai, was sentenced to five years imprisonment by Judge Milton J. Helmick in the United States Court for China Sept. 13. Pietzole, on August 28 while under the influence of liquor after an altercation over payment of the fare, struck a ricsha coolie who, in falling, struck his head on the curb of the pavement, the resultant concussion causing death.

The first foreigner voluntarily to have become a naturalized Chinese citizen, Mary Fine Twinem, wife of the late Rev. Paul De Witt Twinem, who is a professor at Nanking University, spoke over a radio broadcast from Nanking August 13 on the subject, "The Final Opportunity". As a peroration, Mrs. Twimen asked: "What will you of the West do as individuals and as nations to avert war and enthrone justice? Speak, pray and act now, or forever hold your peace in regret and shame of what you might have done."

Mrs. Frank Diebold, formerly Miss Opal Powell of Shanghai, died in Manila on Sept. 11, according to a telegram received by her brother J. B. Powell. Mr. and Mrs. Diebold and their two small children and Mrs. Diebold's sister, Mrs. V. Parks Woods went to Manila with the first group of refugees from this city. Mrs. Diebold, who had been ill for sometime, became worse upon arrival in the Philippines and was taken to the Manila Sanitarium. Mrs. Diebold came to Shanghai about fifteen years ago as dietitian at Dr. Fearn's Sanitarium. She was a graduate of the University of Missouri. Her remains, following cremation, will be sent to the United States for burial. Mrs. Woods is planning to sail for home with the children on the *President Jackson*, scheduled to leave Hongkong on Sept. 24, while Mr. Diebold, who is connected with the Eastman Kodak Company, will return later.

New Books of Interest in the Far East

The Modern Chinese Soldier

The Chinese Soldier—Basic Principles, Spirit, Science of War, and Heroes of the Chinese Armies. By Captain Anatol M. Kotenev. 1937. Kelly and Walsh, Ltd. Shanghai.

Captain Kotenev's little book of 173 pages is of timely interest at present. To the person unfamiliar with China and with Chinese history it is of special value as giving a good general picture of the development of the modern Chinese soldier. The student will find it less satisfactory, as there are glaring errors in every chapter, but these do not seriously detract from the real interest of the book to the general reader.

The chapter headings are sufficiently expressive: The Code of Honor and the Cult of Military Heroes; The Chinese Science of War; The Decay of the Chinese Army; The Chinese Army vs. the Western Army; The T'ai P'ings; The Boxers; The Revolution; The Military Feudalism; The Christian Army: Two Sketches; Esprit de Corps: The Sino-Japanese Conflict 1931-1932; The Red Army; Generalissimo Chiang Kai-shek: The New Life Movement. There is a short bibliography, and an index.

The latter chapters are the best, starting with the one on the Taipings (which incidentally contradicts the statement in the "Introduction" that "China has never known religious upheavals" and "fought wars like the Crusades"). The sections on the Taipings and on the Chinese Red Army are about the best in the book. The author treads upon rather dangerous ground when he declares that Dr. Sun Yat-sen's "Three Principles of the People" was "an effort to ennoble the meanest stimula of human actions," but his final panegyric of Gen. Chiang will probably outweigh this and other indiscretions. The conclusion is that China "has a man who, at the critical moment, will lead the Chinese soldier to glory whether it be in victory or in death. The man is General Chiang Kai-shek."

Though, as noted, the "Red Army" is well dealt with, there is no mention of the important developments in Shensi at the end of last year, when the Red forces accepted the authority of the Nanking military authorities. In view of subsequent developments, this omission is a glaring one.

The book is excellently printed and attractively bound.

H. H.

Mr. and Mrs. Paul Noulens, also known as Ruegg, were recently released from the Soochow Prison and have arrived in Shanghai. It is understood that they have been reunited with their daughter, who has been living in care of friends here, and expect to leave for Europe soon. The Noulens were arrested in the International Settlement by S.M.C. police in 1931 on a charge of being of being engaged in Communistic activities and were later sentenced to life imprisonment. Their nationality was never definitely established, though they claimed to be Belgians.

The New York *Post* Sept. 9 printed a front-page editorial entitled "Come and Die for Us," in sarcastic reference to the announcement by the members of the American Chamber of Commerce in Shanghai deprecating any change of American policy in the Far East. John J. Brenneman of the Pacific Merchandise Co., Inc., 133 Yuen Ming Yuen Road, Shanghai, has furnished *The Review* with a reply to said paper, in which he points out the huge stake that Americans in China have built up by hard pioneer work, and asks whether the U. S. Government intends to forsake them. The writer incidentally hints that the editor of the *Post* should be closely watched by the Federal authorities as a person with dangerous tendencies.

Crew of British Steamer Protests Against Carrying Cargo to Japan

The British crew of the steamer *Severnleigh*, owned by the Severn Steamship Co. under charter to Mitsui Bussan Kaisha, staged a sit-down strike in Hongkong in protest "against the carriage of material to Japan, thus aiding her in her war of aggression against China."

German Lines Order Freight Charges Paid in Advance

In accordance with the decision of the East Asia Conference, German shipping companies announced last week that freight charges on goods shipped the Far East must henceforth be paid in advance at the port of shipment.

"President Hoover" Delayed for Several Hours at Honolulu

The Dollar liner *President Hoover*, recent victim of Chinese bombs off Woosung, was delayed in Honolulu Sept. 11 for three hours before sailing for San Francisco when the crew walked out in sympathy with one of the ship's bell boys, who had allegedly assaulted the boy.

Sailing of the ss. *President Jefferson* for the Orient from Seattle has been postponed pending definite assurance of a bonus for the crew.

The ss. *Knutsen* sailed for the Orient from San Pedro, Sept. 12 with sixteen members of the crew aboard. The crew were given a $150 bonus each.

Japanese Bombard Bias Bay—Hongkong Is Stirred

Chinese entrenchments and military establishments on the coast of Bias Bay, Kwangtung Province, were heavily bombarded by a Japanese destroyer Sept. 12. The Japanese claimed that a Chinese ammunition dump was blown up during the bombardment. Other Japanese destroyers later bombarded the Chinese naval wireless station at Pinghoi.

The news that the Japanese had occupied Bias Bay stirred Hongkong. The Japanese objective is believed to be the occupation of intermediate points along the Chinese section of the Canton-Kowloon Railway, thus preventing the transport of supplies from Hongkong to the interior.

The Japanese naval authorities have established an auxiliary squadron in the South China Sea with Rear-Admiral Toyoda, Chief of the Department of Naval Operations, as its commander.

Japanese Shell Samun Customs Station—Staff Evacuates

The telegram from the Chinese Customs authorities in Kowloon Sept. 14 reported that the Customs Station at Samun, near Hongkong, had been heavily bombarded the previous day by a Japanese cruiser and two destroyers with shells and shrapnel. The staff was evacuated.

Japanese Gunboats Shell Bocca Tigris Forts

Five Japanese warships bombarded the Bocca Tigris forts half way between Canton and Hongkong, Sept. 14. Only very slight damage was done to the forts. The Japanese claim to have destroyed Humen fort, at the mouth of the Pearl River.

Arms and Ammunition Discovered by Hongkong Police

A large consignment of arms and munitions was discovered by the police at a restaurant in Hongkong on Sept. 9. It was alleged that this contraband was hoarded by the Japanese for the purpose of disrupting railway communication between Canton and Kowloon. Several Japanese were held for questioning.

Amoy Bombarded by Japanese Destroyers

Japanese destroyers entered the port of Amoy Sept. 4 and bombarded the forts and the airfield.

Three Japanese Planes Raid Swatow—Two Shot Down

Three Japanese planes raided Swatow Sept. 8. The Chinese succeeded in shooting down two of the three Japanese machines and damaging the third. The damaged one was believed to have taken a forced landing not far from the city.

All military and Government establishments in Swatow have been badly damaged during Japanese air raids on the city, the Japanese Admiralty announced in Tokyo Sept. 14.

Japanese Destroyer Sunk by Chinese Air Force

A Japanese destroyer was sunk by the Chinese air force in the outer harbor of Kwangchow Bay Sept. 13, it was officially announced at Nanking on said date. During two successive raids five direct hits, it is stated, were scored by Chinese bombers, which took off from Canton.

Japanese Naval Activities in Southern Waters Alarm Filipinos

The extension of the Japanese Navy's activities to South China waters, has somewhat dampened the arder of the Filipinos for independence especially since the Japanese Navy has occupied the Pratas Reef. The semi-official Philippine *Herald* Sept. 8 pointed out that the Japanese occupation of Pratas meant that the Philippines are now half surrounded by Japanese-held territories. "Our defence plan." it added, "must not be geographically sabotaged."

Japanese Activities in South China Menace Hongkong, Philippines and Australia

Dr. Chu Chia-hua, Chairman of the Chinese League of Nations Union, (who is also Chairman of the Chekiang Provincial Government) in an appeal to Sir Robert Ho Tung, Manuel Quezon, and Joseph Lyons, Prime Minister of the Commonwealth of Australia, pointed out that Japanese naval activities along the South China coast are directly menacing the security of Hongkong, the Philippine Islands, and Australia.

"London Times" Sees a Protracted Sino-Japanese War

The *London Times* Sept. 10 stated that a decisive Japanese success on any front is highly improbable before late autumn at the very earliest, nor is it possible to envisage any single success which would automatically end the war. This is the view taken by Japan herself.

Armed Soviet Vessel Captures Korean Fishery Cutter

Seizure of a fishery cutter of the Korean Government-General by an armed Soviet vessel on Sept. 5 was reported to the Tokyo Government by Governor-General Minami, Sept. 8.

Dr. H. H. Kung Discusses Japan's Reaction to Sino-Soviet Non-Aggression Pact

"Japan is irritated by the Sino-Soviet non-aggression pact, but not a word has been said about Germany who has contractual relations with Poland, herself bound with Russia by a non-aggression pact," declared Dr. H. H. Kung, Chinese Finance Minister in a press interview in Berlin, Sept. 10. It seems the Soviet-German treaty of Berlin, prolonged in 1933 by the third Reich, has also been forgotten," Dr. Kung added.

Soviets Close Two Japanese Consulates

The Soviet Government, according to an official announcement Sept. 14 notified the Japanese Government that the Soviet Union will refuse to recognize the credentials of the Japanese Consuls at Odessa and Novosibirsk after Wednesday and that the Japanese Consulates in said cities will consequently be closed.

Well-informed quarters in London were quoted by *Havas* Sept. 10 as believing that the eventual concluson of an Italo-Japanese anti-Communist pact was the main object of the recent parleys between Shigeru Yoshida, Japanese Ambassador in London, and Yotaro Sugimura, Japanese Ambassador in Paris.

Too Many Sweets!

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Superintendent of Customs.

L. H. LAWFORD,
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CUSTOM HOUSE,
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